

Assembly Bill No. 650

Passed the Assembly August 31, 2016

Chief Clerk of the Assembly

Passed the Senate August 31, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 53075.5 of, and to add Sections 53075.71 and 53075.72 to, the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 650, Low. Taxicab transportation services.

Existing law requires every city or county to adopt an ordinance or resolution in regard to taxicab transportation service and requires each city or county to provide for a policy for entry into the business of providing taxicab transportation service, establishment or registration of rates for the provision of taxicab transportation service, and a mandatory controlled substance and alcohol testing certification program for drivers, as specified.

This bill would make those provisions inapplicable to a city or county, other than the City and County of San Francisco, on the date upon which the Director of Finance notifies the Speaker of the Assembly and the President pro Tempore of the Senate of the completion of a state reorganization of transportation duties from the Public Utilities Commission to other agencies, if taxicab transportation services are included in the reorganization. The bill would require taxicab transportation services and taxicab drivers to be subject to rules or regulations adopted by cities and counties as they existed on July 1, 2016, except for requirements specified in the bill that would apply to cities and counties, including charter cities and counties, other than the City and County of San Francisco. By imposing new duties on local governments, this bill would impose a state-mandated local program. The bill would declare that its provisions are a matter of statewide concern and not a municipal affair. The bill would declare the intent of the Legislature that, among other things, regulation of taxicab transportation services shall be modernized and moved to one state agency.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City and County of San Francisco.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 53075.5 of the Government Code is amended to read:

53075.5. (a) Notwithstanding Chapter 8 (commencing with Section 5351) of Division 2 of the Public Utilities Code, every city or county shall protect the public health, safety, and welfare by adopting an ordinance or resolution in regard to taxicab transportation service rendered in vehicles designed for carrying not more than eight persons, excluding the driver, which is operated within the jurisdiction of the city or county.

(b) Each city or county shall provide for, but is not limited to providing for, the following:

(1) A policy for entry into the business of providing taxicab transportation service. The policy shall include, but need not be limited to, all of the following provisions:

(A) Employment, or an offer of employment, as a taxicab driver in the jurisdiction, including compliance with all of the requirements of the program adopted pursuant to paragraph (3), shall be a condition of issuance of a driver's permit.

(B) The driver's permit shall become void upon termination of employment.

(C) The driver's permit shall state the name of the employer.

(D) The employer shall notify the city or county upon termination of employment.

(E) The driver shall return the permit to the city or county upon termination of employment.

(2) The establishment or registration of rates for the provision of taxicab transportation service.

(3) (A) A mandatory controlled substance and alcohol testing certification program. The program shall include, but need not be limited to, all of the following requirements:

(i) Drivers shall test negative for each of the controlled substances specified in Part 40 (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations, before employment. Drivers shall test negative for these controlled substances and for alcohol as a condition of permit renewal or, if no periodic permit renewals are required, at such other times as the city or county shall designate. As used in this section, a negative test for alcohol means an alcohol screening test showing a breath alcohol concentration of less than 0.02 percent.

(ii) Procedures shall be substantially as in Part 40 (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations, except that the driver shall show a valid California driver's license at the time and place of testing, and except as provided otherwise in this section. Requirements for rehabilitation and for return-to-duty and followup testing and other requirements, except as provided otherwise in this section, shall be substantially as in Part 382 (commencing with Section 382.101) of Title 49 of the Code of Federal Regulations.

(iii) A test in one jurisdiction shall be accepted as meeting the same requirement in any other jurisdiction. Any negative test result shall be accepted for one year as meeting a requirement for periodic permit renewal testing or any other periodic testing in that jurisdiction or any other jurisdiction, if the driver has not tested positive subsequent to a negative result. However, an earlier negative result shall not be accepted as meeting the pre-employment testing requirement for any subsequent employment, or any testing requirements under the program other than periodic testing.

(iv) In the case of a self-employed independent driver, the test results shall be reported directly to the city or county, which shall notify the taxicab leasing company of record, if any, of positive results. In all other cases, the results shall be reported directly to the employing transportation operator, who may be required to notify the city or county of positive results.

(v) All test results are confidential and shall not be released without the consent of the driver, except as authorized or required by law.

(vi) Self-employed independent drivers shall be responsible for compliance with, and shall pay all costs of, this program with regard to themselves. Employing transportation operators shall be responsible for compliance with, and shall pay all costs of, this program with respect to their employees and potential employees, except that an operator may require employees who test positive to pay the costs of rehabilitation and of return-to-duty and followup testing.

(vii) Upon the request of a driver applying for a permit, the city or county shall give the driver a list of the consortia certified pursuant to Part 382 (commencing with Section 382.101) of Title 49 of the Code of Federal Regulations that the city or county knows offer tests in or near the jurisdiction.

(B) No evidence derived from a positive test result pursuant to the program shall be admissible in a criminal prosecution concerning unlawful possession, sale or distribution of controlled substances.

(c) Each city or county may levy service charges, fees, or assessments in an amount sufficient to pay for the costs of carrying out an ordinance or resolution adopted in regard to taxicab transportation services pursuant to this section.

(d) Nothing in this section prohibits a city or county from adopting additional requirements for a taxicab to operate in its jurisdiction.

(e) For purposes of this section, “employment” includes self-employment as an independent driver.

(f) This section shall not apply to a city or county, other than the City and County of San Francisco, on the date upon which the Director of Finance notifies the Speaker of the Assembly and the President pro Tempore of the Senate of the completion of the state reorganization of transportation duties from the Public Utilities Commission to other agencies, if taxicab transportation services are included in the reorganization.

SEC. 2. Section 53075.71 is added to the Government Code, to read:

53075.71. (a) Notwithstanding any other law, taxicab transportation services and taxicab drivers shall be subject to rules or regulations adopted by a city or a county as those rules or regulations existed on July 1, 2016, except as follows:

(1) Service charges, fees, or assessments levied on a taxicab company shall not exceed the amount in effect on July 1, 2016. No new or additional service charges, fees, or assessments shall be created.

(2) Fees for the issuance of taxi driver permits shall not exceed seventy-five dollars (\$75) annually.

(3) A city or county shall not limit or prohibit prearranged trips, originated through dispatch, Internet Web site, or online-enabled application, by a licensed taxicab.

(4) A city or county may limit the number of taxicab companies or vehicles that use taxi stand areas, pick up passengers at airports, or pick up street hails.

(5) A city or county may set a maximum fare structure for taxicab transportation services, subject to the following:

(A) The maximum fares shall not be lower than the fares that existed on July 1, 2016.

(B) A city or county shall not limit the ability of a taxicab transportation service to offer fares lower than the maximum fare structure.

(6) A city or county shall not regulate the type of device used by a taxicab company to calculate fares, including the use of global positioning system metering as a form of calculating fares. Taxicab companies shall disclose fares, fees, or rates to the customer before the customer accepts the ride so that the customer can make a knowledgeable decision. A taxicab company may disclose fares, fees, or rates on its Internet Web site or cellular telephone application.

(7) Local rules and regulations adopted prior to July 1, 2016, that ensure adequate service levels to all areas of a city's or county's jurisdiction and promote use of taxicab transportation services by individuals covered under the Americans with Disabilities Act of 1990 (Public Law 101-336) shall remain in effect.

(b) Subdivision (a) applies to a charter city or a charter county, other than the City and County of San Francisco.

SEC. 3. Section 53075.72 is added to the Government Code, to read:

53075.72. It is the intent of the Legislature that:

(a) Regulation of taxicab transportation services shall be modernized in order for taxicabs to better compete with all for-hire modes of transportation.

(b) Taxicab regulation shall be moved from the patchwork of various local requirements to one state agency to coincide with the Governor's reorganization of transportation.

(c) Duties and responsibilities for the regulation of taxicab transportation services shall be established by state departments within the agency that handles all other modes of for-hire transportation.

(d) The Governor shall propose the specific budget and statutory changes needed to establish duties and responsibilities to the agency that handles all other modes of for-hire transportation.

(e) Conforming changes shall be made to this code and other codes.

(f) A city or county shall not impose any rule or regulation governing taxicab transportation services that is inconsistent with or in addition to the requirements established by state departments within the agency that handles all other modes of for-hire transportation.

SEC. 4. The Legislature finds and declares that taxicabs face a substantial competitive disadvantage due to the numerous and differing requirements from city to city while all other modes of for-hire transportation are regulated by one statewide entity, and, therefore, the regulation of taxicab transportation services and taxicab drivers is an issue of statewide concern and not a municipal affair, as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this act shall apply to charter cities and charter counties.

SEC. 5. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique medallion system of the City and County of San Francisco.

SEC. 6. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Approved _____, 2016

Governor